



OFFICE OF THE GOVERNOR
STATE OF MISSOURI
JEFFERSON CITY
65101

MATT BLUNT
GOVERNOR

STATE CAPITOL
ROOM 216
(573) 751-3222

March 29, 2006

Doyle Childers
Director
Department of Natural Resources
1101 Riverside Drive
Jefferson City, Missouri 65101

Dear Director Childers:

I am writing to express my concern regarding the proposed Shoreline Management Plan contained in the Federal Energy Regulatory Commission's (FERC's) Environmental Assessment (EA) for the hydropower license for AmerenUE's Osage Hydroelectric Project (FERC Project No. 459-128).

I understand that FERC requires AmerenUE to develop and implement a Shoreline Management Plan as a condition of the new federal license. While I appreciate AmerenUE's obligation to protect the environmental resources at the Lake of the Ozarks, some of the provisions contained in AmerenUE's proposed Shoreline Management Plan raise significant concerns. Specifically, the Impact Minimization Zone (IMZ) or "redline" provisions have potentially far reaching negative implications for jobs, tourism and economic development in the communities surrounding the Lake of the Ozarks. The controversial provisions could also unfairly infringe upon the rights of property owners at the lake.

While I understand that FERC has the ultimate authority over the shoreline management provisions of the new federal license, I direct the Missouri Department of Natural Resources to use its authority under the Section 401 Water Quality Certification to direct AmerenUE to remove the IMZ provisions from AmerenUE's Shoreline Management Plan.

In place of the controversial IMZ provisions, I recommend AmerenUE work with interested citizens at the Lake of the Ozarks and Missouri's natural resource agencies—the Department of Natural Resources and the Department of Conservation—in a public process conducted in all counties surrounding the lake to develop environmental criteria and guidance that will fairly balance all interests in future permitting decisions. I have heard from many citizens, landowners and public officials who have expressed their concern that they were not given adequate opportunity to participate in the development of AmerenUE's proposed Shoreline Management Plan.

Doyle Childers
March 29, 2006
Page 2

Given the ramifications of the IMZ provisions and the concern being expressed by area residents and communities, FERC should remove any IMZ shoreline management provisions from the new federal license for the Osage Project. FERC can remove the controversial IMZ provisions and still have a viable shoreline management plan. I will encourage FERC to move forward in this manner. While it is extremely important that FERC remove the IMZ shoreline management provisions, such an action should not require FERC to delay the issuance of the new federal license. The new license for the Osage Project could provide for the public process that I outline above. This would ensure a balanced approach to the protection of the natural resources at the Lake of the Ozarks and not infringe upon private property rights or harm the economies of communities around the lake.

I am confident that an approach exists for addressing shoreline management issues that can balance the needs of interested citizens, while still protecting the natural resources within the project area.

Sincerely,

A handwritten signature in black ink that reads "Matt Blunt". The signature is stylized, with a large, looped "M" and a cursive "Blunt".

Matt Blunt

cc: John Hoskins, Director, Missouri Department of Conservation
Gary Rainwater, Chairman and CEO, AmerenUE
FERC